



**NATIONAL EXPERIENCE IN THE
FORMULATION AND IMPLEMENTATION
OF POPULATION POLICY, 1960-1976**

PANAMA

UNITED NATIONS





Department of Economic and Social Affairs

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PREFACE

Since the World Population Conference held under the auspices of the United Nations in 1974 there has been growing interest among policy makers in the complex interrelations between population and development, with population policy being an area of increasing concern.

The following study is one of a series of reports prepared during 1975 and 1976 by the Population Division of the Department of Economic and Social Affairs of the United Nations Secretariat, in an attempt to disseminate information among interested Governments and scholars on the experience of various Governments in formulating and implementing population policies. The series, when completed, is intended to include all countries in the world and examine the variety of situations and solutions adopted by Governments, which have often been determined by particular historical, political, socio-economic or cultural circumstances. The information included in the series would be useful to the national bodies assisting Governments in the area of population and related fields, as well as to the international organizations that are attempting to increase knowledge of the ways in which Governments may most effectively resolve problems associated with population.

Although the reports have been prepared with all possible care, there may possibly be errors or omissions. Comments or corrections from Governments would be appreciated.

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INTRODUCTORY NOTE

The strategic geographical position of the Isthmus of Panama made it for centuries a crossroads of international passenger and cargo routes and led to the emergence and subsequent development of an urban, commercial type of economy there. The successive intensifications of economic activity resulting from periods of international trade prosperity and from large-scale construction works carried out on the trans-Isthmian route served to accentuate the urban aspect of the economy and prompted a great influx of population, both Panamanian and foreign, into the terminal cities of Panama City and Colón. The rest of the country remained almost entirely outside the urban economy, except for very small sectors. The lack of basic social capital and the fact that the national economy was not welded into a single market of goods and factors of production caused inelasticity in the productive system; this inelasticity contributed to an inadequate utilization of resources and constituted one of the major factors in the economy's low real productivity.

While there were no formal development plans issued until 1963, there had been a determined policy of development, especially of food production, during the period following the Second World War. In noting the permanent reorientation of Panama's economic policy in the post-war period, a national working group appointed by the Government and the Economic Commission for Latin America (ECIA) reported in 1957 that "the fostering of domestic production and the expansion of basic social capital were no longer matters of emergency policy but became aspects of an economic line which, at least from 1950 onwards was resolutely directed toward the country's internal economic development". 1/

The census of 1950, the fifth in a series of decennial censuses instituted in 1911, enumerated a total population of 805,285 inhabitants, reporting that the population had doubled in size within a period of 32 years and had grown at an average annual rate of 2.9 per cent. 2/ The study issued by the national working group analysed demographic trends in the light of the probable development of the economy and concluded that the per capita gross product would remain nearly stationary. It further reported that so far as two of the country's most serious problems -- unemployment and underemployment -- were concerned the prospects held out little hope of a solution. The Government appears to have accepted the advice implied by the report of national working group, namely, that, in spite of unemployment, the small size of the total population precluded the adoption of a policy of population growth reduction, and development prospects were contingent upon organizational and economic restructuring.

The Government co-operated closely with international agencies during the 1950s in programmes of malaria eradication, environmental sanitation, applied nutrition, and rural public health. There is no evidence that it formulated any policies during this period with regard to individual or aggregate levels and trends of national fertility.

1/ "Analyses and projections of economic development. VII. The economic development of Panama" (E/CN.12/494), p. 8.

2/ Censos Nacionales de 1950. Vol. I. Características Generales (Panamá, Contraloría General de la República, Dirección de Estadística y Censo, 1954), p. xix.

The census of 1950 contained substantial information on spatial distribution. The Census Office reported that the most significant characteristics of the geographical distribution of the country's population were a high degree of dispersion in rural areas and a high degree of concentration in the terminal cities, Panama City and Colón.

For purposes of analysis, the following study has been divided into two periods: 1960-1968 and 1968-1976. The first period begins in the year in which the First United Nations Development Decade was inaugurated and ends with the revolution of 1968, a movement which brought the present Government to power. The second encompasses both the interim period of provisional rule which lasted until October 1972 and the subsequent period of leadership under Brigadier General Omar Torrijos Herrera.

The political and economic situation

Roberto F. Chiari served as President of Panama from 1960 until 1964. The successful candidate in the 1964 elections, Marco A. Robles, followed in the steps of Chiari's moderate reform administration, implementing programmes in housing, rural education and public health. In 1968 former President Arnulfo Arias was again elected to the Presidency. He was deposed in the same year, at the outset of his presidential term, following a revolt by the National Guard.

During these years the rate of growth of the domestic product was relatively rapid: 8.0 per cent per annum for the period 1960-1965 and over 8 per cent per annum during the latter part of the 1960s. This expansion was closely linked to the vigorous growth of industry, which achieved a rate of over 11 per cent, and to trends in the external sector. By 1967 exports had more than doubled their 1960 value, maintaining an average annual growth of nearly 12 per cent. ^{1/}

Owing to the special structure of the Panamanian economy and to the fact that it was so strongly influenced by developments in the external sector, the relatively high and steady growth rate of the domestic product was not accompanied by more rapid diversification, with the result that certain fundamental problems such as urban unemployment persisted.

Development planning

The Government established a National Bureau of Planning (Dirección General de Planificación y Administración) in January 1961, following the recommendations of the Punta del Este Conference. ^{2/} The country's first comprehensive development programme was issued in 1963. ^{3/}

Information on the general demographic situation and trends

A government statistical publication noted in 1964 that Panama constituted something of an exception among developing countries, since the supply of data generated by the statistical system had in most cases outstripped the demand for such data. ^{4/} The Government's reply to the First United Nations Inquiry

^{1/} Economic Survey of Latin America, 1967 (United Nations publication, Sales No. E.69.II.G.1), p. 177.

^{2/} La Administración Pública Como Instrumento del Desarrollo: Panamá (Washington, D.C., Organización de los Estados Americanos, 1966), p. 4.

^{3/} Programa de Desarrollo Económico y Social, 1963-1970 (Panamá, Dirección de Planificación y Administración, 1963).

^{4/} Informe de la Encuesta de Fecundidad de la Ciudad de Panamá, Año 1964 (Panamá, Contraloría General de la República, Dirección de Estadística y Censo, 1964), p. 2.

concluded with this assessment, noting that there existed abundant statistical material in Panama with which to prepare and evaluate economic and social development plans. 5/ Detailed information on demographic and economic structures was obtainable from the census of population and housing of 1960, from the agricultural census of 1961 and from the commercial census of 1962. However, the data most useful for the study of population dynamics -- vital statistics -- were affected by underregistration of an unknown magnitude.

The Statistics and Census Bureau made a number of attempts during this period to improve the collection of demographic data. A mini-census was conducted prior to the census of 1960, in an attempt to reduce the margin of possible error. In order to obtain information on the underregistration of births and deaths, a pilot survey of 2,000 households was conducted in the Province of Chiriquí in 1962. The results, which were considered to be inconclusive, were reported at the Second Interamerican Seminar on Civil Registration in 1964. 6/ The Government's reply to the First United Nations Inquiry noted that, owing to budgetary constraints, studies aimed at improving vital registration had been limited in scope; what was needed was a survey on a national scale.

In an effort to improve the completeness of registration statistics during this period, registration offices were installed in public and private hospitals throughout the country. 7/

In 1963 there were 261 statisticians employed in the various government statistical agencies, one half of whom had had formal training in statistics. 8/ The Government's reply to the First United Nations Inquiry reported that there had been limited research on demographic topics due to the scarcity of qualified personnel.

General policy with regard to the demographic situation and trends

While the development plan for the period 1963-1970 contained some analysis of demographic trends, it contained no explicit reference to population policies. The Government's reply to the First United Nations Inquiry noted that although certain measures such as agrarian reform had an effect on demographic phenomena, it was something of a side effect. In reality, no population policy existed in Panama.

5/ Declaración del Gobierno de Panamá en respuesta a la encuesta del Secretario General de 28 de junio de 1963 sobre los problemas debidos a la influencia recíproca del desarrollo económico y de los cambios demográficos (Panamá, 1963), p. 18.

6/ "Report on an experimental survey conducted to measure omissions in the record of births and deaths in Panama" (ST/ECLA/CONF.19/L.1).

7/ Actividades Estadísticas de la República de Panamá, 1967-1970 (Panamá, Contraloría General de la República, Dirección de Estadística y Censo, 1971), p. 14.

8/ Inventario Estadístico Nacional (Panamá, Contraloría General de la República, Dirección de Estadística y Censo, 1965), p. 1.

Size and growth of the population

Information available to the Government

The development programme for 1963-1970 reported that the growth of the population between the censuses of 1911 and 1950 had been truly extraordinary. It emphasized that Panama's nine provinces had grown at markedly uneven rates and contrasted the 45 per cent growth of the urban population in the recent intercensal period to the 33 per cent increase in the size of the total population.

The Government noted in its reply to the First United Nations Inquiry that the most noteworthy demographic characteristic of the country was the high rate of growth of its population. The population had grown at an average annual rate of more than 3 per cent during the recent intercensal period, due to a pronounced decline in mortality, which was not accompanied by a similar decline in the country's high level of fertility. An increasing dependency burden (the dependency ratio rose from 813 per thousand in 1950 to 880 per thousand in 1960) was a further result of rapid population growth.

Government perception of size and growth in relation to development objectives

The Government's reply to the First United Nations Inquiry reported that the growth of the domestic product had been greater than the rate of population growth and that, as a result, per capita income had risen from 328 balboas in 1959 to 355 balboas in 1961.

The development programme for the years 1963-1970 reported, however, that the accelerating rate of population growth in the metropolitan centre had aggravated problems related to health, employment, education and housing; the latter was becoming increasingly visible with the proliferation of shanty towns. Furthermore, the Government considered that the relationship between population growth and unemployment required immediate attention. The programme stated that Panama's structural unemployment had been aggravated by the rapid growth of population in the metropolitan centre. Noting unemployment levels of 19 per cent for Panama City and Colón, the Government estimated that a reduction in unemployment in these urban areas alone would stimulate a 14 per cent rise in the domestic product.

The Government's reply to the First United Nations Inquiry noted that demographic growth and economic development were closely interwoven and of great national concern. The interrelations between the two were insufficiently known; nevertheless, it was recognized that they affected each other in a reciprocal manner and that changes in them had profound effects on the structure of a nation or a region. The reply agreed with the conclusions of a 1958 study by Coale and Hoover, which noted that high population growth rates required a higher level of investment to raise the level of per capita income, whereas, conversely, population growth did not generate a greater amount of savings for investment, 9/ and

9/ Ansley J. Coale and Edgar M. Hoover, Population Growth and Economic Development in Low Income Countries: A Case Study of India's Prospects (Princeton, N.J., Princeton University Press, 1958).

went on to observe that high rates of population growth created pressure on national assets and absorbed a disproportionate amount of savings which, if invested, would have a higher rate of return. The Government emphasized that as a result of declining mortality and continuing high fertility, demographic growth had accelerated but that an economic transformation capable of raising per capita income had not taken place. The rapid growth of the population, together with an age structure which was economically disadvantageous and a scarcity of capital, threatened the ability of Panamanians to raise their standard of living.

Policy with regard to size and growth

The development programme for 1963-1970 outlined steps for diversifying the economy by means of the development of the productive sectors such as agriculture, stockraising, fishing and manufacturing, in order to reduce dependence on activities related to the operation of the Canal. The programme envisioned that the development of these productive activities would relieve one of the country's most acute socio-economic problems -- unemployment, apparent in urban centres but often disguised in rural areas. The programme emphasized that restructuring of the economy in order to facilitate sustained growth and diversification would lead to a more rational and equitable distribution of the domestic product. By creating new sources of employment in rural areas it was hoped that migration to the metropolitan centre, which would constrain development if allowed to continue unabated, would be stemmed.

In general, the Government considered that its over-all development strategy, with its emphasis on economic restructuring, would resolve national problems in relation to population growth.

Morbidity and mortality

Information available to the Government

The development programme for the period 1963-1970 reported that mortality in general was at a low level which compared favourably with that of other countries. The programme observed, however, that the principal causes of death had not changed significantly since 1945. Infectious and parasitic diseases continued to account for 14 per cent of all deaths. Infant mortality was on the order of 56.9 per thousand live births and the morbidity rate from tuberculosis was 163.4 per 100,000 persons.

The Government's reply to the First United Nations Inquiry stated that Panama had achieved a spectacular decline in general and infant mortality, so spectacular that the present magnitude was comparable to that of some developed countries. The Government noted, however, that it was necessary to be cautious in interpreting levels of mortality in Panama in comparison with other countries, because of the possibly distorting effect of an unknown number of omissions. A more precise knowledge of cause-specific mortality was necessary since barely half of the deaths occurring in the country -- one in four in rural areas -- were medically certified.

Government perception of levels of morbidity and mortality

While emphasizing that the level of mortality in Panama was comparable to that of some developed countries, the Government noted in its reply to the First United Nations Inquiry that low mortality in the latter had come about as a result of a gradual process of socio-economic change. In Panama it had been made possible only by the importation of technicians, knowledge and medicine. Significant economic and social transformations related to development had not accompanied it.

Policy with regard to morbidity and mortality

With regard to malaria eradication, the United Nations Children's Fund (UNICEF) reported in 1961 that the campaign in Panama using the insecticide dieldrin for spraying operations had made little progress towards the interruption of transmission. In 1962 it reported that a change to semi-annual DDT spraying cycles had produced a progressive reduction in the number of malaria cases in some areas only. The failure in other areas was largely the result of operational and administrative shortcomings. 10/

According to UNICEF, the sanitation project in the area of La Chorrera, Oriental Health Region, had helped to develop appropriate techniques for the development of future projects and had been continued and extended by the Government as of 1961. 11/

The Government co-operated with UNICEF in 1962 on a project to improve the level of nutrition in 4 interior provinces, through the strengthening of nutrition education activities in 4 normal schools, 40 primary schools, 14 health centres and 8 extension agencies. 12/ Administration of the project had been carried out by an interministerial co-ordinating committee comprised of representatives of the ministries of agriculture, education and public health. In 1963, upon completion of a survey of the nutritional habits of the local population, school gardens had been established in 41 communities. The programme was extended to the family level, and some 600 family gardens were established. UNICEF reported that "these family gardens may almost be said to have generated spontaneously as a result of what the children were taught in school". 13/ In

10/ "Recommendation of the Executive Director for an allocation: Panama: malaria eradication" (E/ICEF/P/L.1422), p. 2.

11/ "Recommendation of the Executive Director for an allocation: Panama: basic MCH, environmental sanitation and pilot area tuberculosis control" (E/ICEF/P/L.125), p. 1.

12/ "Recommendation of the Executive Director for an allocation: Panama: nutrition education" (E/ICEF/P/L.189), p. 1.

13/ "Recommendation of the Executive Director for an allocation: Panama: applied nutrition" (E/ICEF/P/L.560), p. 1.

1967 UNICEF reported that the Government planned to extend the applied nutrition programme to 50 communities within 6 rural development areas, encompassing 50 schools, 5 health centres and 9 agricultural extension agencies. 14/

By 1961, following extensive surveys, a reorganization of the country's public health services had been partially implemented. Executive services had been decentralized to some extent and the country had been divided into three health regions. The objective of the proposed project was to build up comprehensive and functionally co-ordinated public health services in the Central Health Region, with preventive and curative services in balance, and to achieve an effective decentralization in administration. The basic health services provided by small local units would be supplemented in larger units, where hospital care, laboratory diagnosis etc. would be provided. 15/

Fertility

Information available to the Government

In its reply to the First United Nations Inquiry the Government reported that the factors that had chiefly determined rapid population growth, which had reached an average annual rate of 3 per cent, were declining mortality and high and constant fertility, which was on the order of 40 per thousand population. Urban/rural fertility differentials were slight and, considering the greater amount of underregistration in rural areas, the influence of urbanization on aggregate fertility levels appeared to be insignificant.

The Statistics and Census Bureau reported in 1967 that there was a 3 per cent underregistration of births during the period 1956-1960 and that the adjusted crude birth rate was 40.8 per thousand population. Indicators obtained for various periods from 1950 to 1960, as well as the annually registered crude birth rates, seemed to indicate that natality was increasing. 16/ It noted, however, that this rise was partially attributable to the improved registration of births.

The Statistics and Census Bureau, in collaboration with the Latin American Demographic Centre (CELADE) conducted a fertility survey in Panama City during the period 1963-1964. In disseminating the results of the survey in 1966, the Bureau reported that during the period of the study Panama City had had a level

14/ "Recommendation of the Executive Director for an allocation: Panama: applied nutrition" (E/ICEF/P/L.865), p. 2.

15/ "Recommendation of the Executive Director ... tuberculosis control" (E/ICEF/P/L.125), pp. 1-2.

16/ El Crecimiento de la Población Panameña en el Período 1950 a 1980 (Panamá, Contraloría General de la República, Dirección de Estadística y Censo, 1966), pp. 25, 31.

of fertility that could be classified as moderately high. No data existed to support the hypothesis of declining fertility. The Bureau noted that although the survey revealed differentials according to educational attainment and although it might be assumed that the population of the capital would be better educated in the future, experience demonstrated that the level of education in the country had been improving for more than a decade without any statistical indication of a fertility decline. It thus appeared that the decline attributed to the more educated groups was offset by higher fertility among the less educated. In the latter group the decline in infant mortality continued to be accompanied by traditional reproductive patterns and possibly by higher fertility due to medical and sanitary advances. 17/

Government perception of levels and trends of fertility

Both the reply of the Government to the First United Nations Inquiry, transmitted in 1963, and a 1966 report of the Statistics and Census Bureau, which analysed the results of the 1963-1964 fertility survey, emphasized that as a result of continuing high fertility and declining mortality, demographic growth had accelerated without an accompanying economic transformation capable of raising per capita income. The Bureau report noted that a principal consequence of high fertility was a worsening of economic and social problems, especially problems related to the increasing demands of a child population which did not contribute to the production of goods and services. It emphasized that the modification of demographic behaviour was not a question of mathematical formulae but a complex problem requiring the concentration of forces of rapid economic and social development. Whatever position might be adopted -- whether anti-natalist or one emphasizing the need for structural change -- would require the existence of appropriate socio-economic conditions such as a high level of education and the growing incorporation of the population into the market economy and of women into the labour force. 18/

Policy with regard to fertility

The Panamanian Association for Family Planning (APLAF), a private organization, was established in 1965 as an affiliate of the International Planned Parenthood Federation (IPPF). In 1966 it opened the Marañon Model Centre in Panama City; in the following year, with financial assistance from the United States Agency for International Development (USAID), it opened five additional clinics. Although the Government allowed these private organizations to operate, it did not have an explicit policy for the sector.

17/ Informe de la Encuesta de Fecundidad ..., pp. 58-59.

18/ Ibid., pp. 1, 7.

Immigration

In its reply to the First United Nations Inquiry the Government reported that the information available to it indicated that immigration was slight and was probably compensated for or exceeded by the emigration of Panamanian nationals.

Emigration

The government reply further noted that the true picture with respect to the net balance of international migration was obscured by the absence of data on emigration. Nevertheless, data on the entry and exit of persons in transit provided supplemental information which more or less corroborated the existence of a state of equilibrium.

Spatial distribution

Information available to the Government

The census of 1960 reported that the major metropolitan centre (Panama City) had expanded by approximately 50 per cent during the intercensal period 1950-1960, but had experienced a pattern of uneven growth. Whereas a number of its barrios had increased by less than 20 per cent, those barrios that were the receiving area for the major migration flows had grown by as much as 130 per cent. The second-order urban centre, the terminal city of Colón, had grown by merely 14 per cent between 1950 and 1960, whereas a number of third-order urban centres in the interior had expanded far more rapidly. Reflecting the phenomenon of demographic dispersion, the number of households in the provinces of Bocas del Toro, Darién, Colón and Veraguas had increased by 64, 56, 41 and 32 per cent, respectively. ^{19/}

Government perception of spatial distribution

The Government's reply to the First United Nations Inquiry noted that, due to the particular circumstances of its historical development, Panama had undergone rapid urbanization. In contrast to the experience of most developed countries, where urbanization had been related to industrialization, the phenomenon in Panama was more a matter of "awakening the masses", that is, of improved channels of communication leading the rural labour force to seek a better life in the cities.

The Government had a favourable perception of the growth of third-order urban centres in the interior. The census report called attention to one such centre, Natá, whose population increased by 52 per cent between 1950 and 1960 as a result of its conversion into an important centre of agricultural and industrial activity. Natá became an example in favour of the claim that there were artificial means of attracting population.

^{19/} Censos Nacionales de 1960. Lugares Poblados de la República (Panamá, Contraloría General de la República, Dirección de Estadística y Censo, 1960), p. x.

A proliferation of rural settlements was considered to be a constraint on economic and social development; increasing numbers of them lacked a sufficient economic base to permit their development as stable population nuclei. The 1960 census report noted that one fifth of all rural settlements had fewer than 10 inhabitants.

The Government's reply also underlined the negative effects of rural-to-urban migration in terms of social costs, noting that agrarian reform acquired special significance in view of the phenomenon of rapid urbanization, which was producing adjustment conflicts for rural families. It cautioned that agrarian reform would not be able to deter migration from the countryside to the city. Rather, change would take place when the campesino was offered greater alternatives in the countryside than he then encountered.

Policy with regard to spatial distribution

Prior to the formulation of the comprehensive development programme, a 1961 report on public expenditure outlined plans for a colonization project creating rural population centres that would halt the dispersion of the present population. When the Bureau of Planning was established in 1961, its raison d'être was declared to be the preparation of plans to ensure greater efficiency in the development process and a more appropriate distribution of population. 20/

As a means of identifying future planning needs and promoting regional integration, the development programme for 1963-1970 divided the country into six planning regions on the basis of such demographic characteristics as density per square kilometer and degree of dispersion of the rural population. The Government gave priority to expanding all public services in these six areas, settling a considerable number of the country's landless peasants on fertile land and promoting rural development in suitable areas. The areas chosen comprised the best uncultivated arable land in the most densely populated region of Panama.

20/ La Administración Pública ..., p. 7.

II. THE PERIOD 1968-1976

The political and economic situation

The year 1968 witnessed a slackening of the rapid rate of growth achieved by the economy during the earlier years of the decade. Whereas the average annual rate of growth had been 8.2 per cent during the period 1960-1967, the product increased by only 4.5 per cent in 1968 as a result of unstable political circumstances which affected tourism and the volume of expenditure on the part of residents of the Canal Zone and which had marked repercussions on the official banking institutions. 1/ In 1969 there was a resurgence of the trends in the economy which had prevailed during a decade of dynamic expansion. The return to normality, combined with a substantial increase in government investment expenditure and a rapid rise in external demand, were largely responsible for the higher growth rate of the domestic product (8.6 per cent). With respect to supplies, agricultural production continued to show the steady expansion recorded after 1965, in contrast to the stagnation of the period 1960-1965, when the average annual rate of growth was 1.1 per cent. Throughout the 1960s the manufacturing sector recorded a high and steady average annual growth rate of 12 per cent. However, the essentially open nature of the Panamanian economy and its dependence on the service sector as the generator of growth created price ratios which were unfavourable to the diversification of industry and set limits to the possibilities of promoting manufacturing. 2/

The Panamanian economy continued to develop in the 1970s at the rapid pace that had characterized it for more than 10 years. Domestic production continued to expand rapidly, backed by the sustained growth of capital formation. In the public sector, the composition of investment reflected a change in priorities designed to achieve a greater measure of balance in the channelling of resources. Until 1971, investment had been mainly channelled towards social goals such as better housing and health. This trend changed in 1972, when increasing amounts of resources were assigned to industry and commerce. 3/ In its economic summary for the year 1975 the Government reported that the gross domestic product had grown by only 3.5 per cent during 1974, one of the lowest rates of growth since 1950. In the Declaration of Bloquete, issued in November 1974, the Government outlined measures for combating inflation and coping with effects of the recession in the short term. It cautioned that although the economy was capable of recovering from the effects of the recession, there remained structural problems to be resolved. In the medium term, the Government would seek to

1/ Economic Survey of Latin America, 1968 (United Nations publication, Sales No. E.70.II.G), pp. 204-205.

2/ Economic Survey of Latin America, 1969 (United Nations publication, Sales No. E.70.II.G.1), pp. 217, 220, 224.

3/ Economic Survey of Latin America, 1972 (United Nations publication, Sales No. E.74.II.G.1), p. 134.

exploit its geographical position to greater advantage -- through efforts that would include the negotiation of a more favourable canal treaty -- and would emphasize the development of natural resources, the agro-stockraising sector and the expansion of industrial exports. 4/

Development planning

The provisional junta which governed Panama from 1968 until 1972 issued a second comprehensive development strategy for the decade 1970-1980. 5/ The Ministry of Planning and Economic Policy prepared a number of preliminary studies for a five-year plan for the period 1974-1978, publishing an operating plan for the first year of the plan in 1974. 6/ A preliminary version of the national development plan for 1976-1980 was published in 1976. The Government reported that one of the most noteworthy aspects of the plan was that, to a great extent, it was already being implemented. 7/

Information on the general demographic situation and trends

The Government submitted a request to the United Nations Fund for Population Activities (UNFPA) in 1970 for financial assistance to strengthen the Population Studies Office within the Ministry of Public Health so that it could become a national unit which would function as the technical secretariat of the National Commission for Demographic Policy. Originally composed of only health-related agencies and the directors of the Planning and the Statistics and Census Bureau, the Commission later came to include representatives from the Ministries of Education and Labour, the Institute of Human Resources Development and Utilization, the Institute of Urban Housing and the University of Panama. The unit was assigned the following broad tasks: to determine the impact of demographic trends and structures on socio-economic development in general and on specific sectors; and to provide the instruments for policy formulation and later evaluation. 8/

4/ Resumen del Informe Económico, 1975 (Panamá, Ministerio de Planificación y Política Económica, 1975), pp. 16, 32-34.

5/ Estrategia para el Desarrollo Nacional, 1970-1980 (Panamá, Dirección General de Planificación y Administración, 1970).

6/ Plan Operativo del Gobierno Nacional para 1974 (Panamá, Ministerio de Planificación y Política Económica, 1974).

7/ Resumen del Plan Nacional de Desarrollo, 1976-1980 (Panamá, Ministerio de Planificación y Política Económica, 1976), p. 1.

8/ Population: Monthly Bulletin of the United Nations Fund for Population Activities, No. 27 (May 1977), p. 1.

The Statistics and Census Bureau received financial assistance from UNFPA to conduct a demographic sample survey, beginning in January 1975. 9/ In addition, Panama participated in the World Fertility Survey. The Statistics and Census Bureau conducts a permanent sample household survey, which emphasizes data relating to the labour force and household income.

The Government received additional financial assistance from UNFPA for a civil registration and vital statistics project, to be conducted during the years 1975-1976. 10/ A new law of civil registry, promulgated in December 1974, provided the legal precedent for such a project, which was to involve decentralization of the registration system through the establishment of a provincial office in each of the nine provinces, promotional campaigns on the importance of vital registration, training programmes and the promotion of effective co-operation between the Civil Registry, the Statistics and Census Bureau and the Ministry of Public Health. As of June 1976 the Government's decentralizing activity covered four provinces and was expected to be completed on a national scale within the following five months.

In its reply to the Third United Nations Inquiry, transmitted in 1976, the Government reported that complete coverage statistics (censuses, vital statistics, health statistics etc.) and sample surveys (micro censuses, fertility surveys etc.) required substantial improvement. It assigned high priority to the following research topics: population projections and models; interrelations between socio-economic and demographic factors; education and population; manpower and population; food and population; morbidity and mortality; the management of family planning programmes; fertility; internal migration and regional distribution; techniques of population data collection; and the formulation, evaluation and implementation of population policy. It noted that the main difficulties encountered in conducting research were the scarcity of funds and qualified personnel.

General policy with regard to the demographic situation and trends

The development strategy for 1970-1980 emphasized that a population policy should constitute a basic factor in the formulation of any national development strategy.

The Government's reply to the Second United Nations Inquiry was re-issued as the Panamanian country statement at the convening of the World Population Conference in August 1974. 11/ In it the Government noted that the formulation and implementation of a population policy covering aspects of population

9/ "Project approved by the Executive Director: demographic sample survey" (DP/FPA/PROJECTS/79).

10/ "Project approved by the Executive Director: civil registration and vital statistics" (DP/FPA/PROJECTS/57).

11/ See "Summary country statements concerning population change and development" (E/CONF.60/CBP/33).

dynamics, structure and distribution would be given an important role in development planning. The statement emphasized that the size, growth, distribution and structure of the population would not constitute ends in themselves, but would be associated with and adapted to specific and coherent targets of economic and social development. The Government cautioned that such a policy would constitute a sovereign decision by Panama, having as its fundamental objective the improvement of the quality of life of all the Panamanian people, and that it would be based on respect for human rights.

The country statement issued by the Government at the Second Latin American Meeting on Population in 1975 reported that Panama had the following features: high metropolitan primacy; structural unemployment; zones of shanty towns which merited special government attention; an exodus of professionals; a high degree of demographic dispersion; differential mortality; internal migration with barely studied ecological effects; and high fertility of women in the least favoured socio-economic groups. The statement noted that it seemed advisable to devise policies to deal with this economic and social matrix.

The Government transmitted a reply to the Third United Nations Inquiry in July 1976.

Size and growth of the population

Information available to the Government

The development strategy for 1970-1980 reported that the population had grown at an average annual rate of 3.2 per cent during the 1960s, greater than the average for Latin America as a whole and even greater than the global rate, and would double in a little more than 20 years. The strategy emphasized, however, that Panama was not a densely populated country. It reported a density index of 18.1 for the nation as a whole, and of 4.7 and 1.4 for the least densely populated provinces of Bocas and Darién.

The Government's reply to the Second United Nations Inquiry in 1974 stated that Panama was the country with the smallest population in Latin America (1.6 million), despite a high rate of natural increase which -- if it continued -- would lead to a doubling of the population in the brief span of 23 years. Owing to high and relatively constant levels of fertility combined with a marked decline in mortality, population dynamics had sufficed, without any migration, to double the size of the population enumerated in the census of 1950.

The development plan for 1976-1980 estimated that the country's total population would increase to 1.9 million inhabitants by 1980, to 2.2 million by 1985 and to 2.5 million by 1990, with an anticipated rate of population growth of 2.8 per cent per annum during the period 1970-1980.

The operating plan for 1974 reported that at the beginning of the present decade 43.6 per cent of the total population had been under 15 years of age, compared to 5.6 per cent above the age of 60. As a result, almost half of the country's population was economically dependent upon the other half.

Government perception of size and growth in relation to development objectives

Government statements, while acknowledging a high rate of population growth, have been predominantly concerned with the uneven rate of growth between urban and rural areas and have repeatedly noted the adverse effects of rapid growth in the metropolitan centre. The development strategy for 1970-1980 observed that the rapid concentration of population in a limited area made it difficult to meet employment needs and even more difficult to provide adequate social services; persistent unemployment, disguised underemployment and an increasingly grave housing crisis were the result of urban concentration. While a reduction in the rate of urban growth was conceived as a positive objective, the development strategy did not consider population growth per se to be a constraint on development, for, in spite of the concentration of population in the metropolitan centre, the country as a whole was not densely populated. It recommended a change in the pattern of spatial distribution and suggested the desirability of a policy of open immigration for skilled workers who would contribute to national development. It further noted that a policy of reducing the rate of population growth would have only a limited effect during the next decade. The problem in Panama was not one of controlling population growth, but one of poverty.

In its reply to the Second United Nations Inquiry, the Government identified a number of obstacles to development arising from the size and growth of the urban population. It pointed out that nearly one half of the population live in urban areas, with a significantly high proportion concentrated in the capital city, where the economic system generated and tended to perpetuate structural unemployment, varying degrees of underemployment, housing shortages and other intractable social problems. The Panamanian delegate to the Second Latin American Meeting on Population similarly noted that the influx of migrants to the metropolitan centre, a process determined by socio-economic factors, condemned this migrant population to difficult lives of instability and maladjustment in shanty towns and poverty-stricken zones. His statement emphasized that the process of urbanization had proved incapable of absorbing the growing metropolitan labour force and it attributed the entry of large cohorts into the labour force to the high levels of fertility in the past.

While a reduction in the rate of urban growth was identified as a positive objective in numerous official statements, the Government consistently maintained that population growth per se was not a constraint on national development objectives. The Government's reply to the Second United Nations Inquiry described a pattern of vigorous economic growth, reflected in the per capita GDP, which increased from 236 balboas in 1950 to 686 balboas in 1972. Despite the most intense population growth ever experienced by Panama, the Panamanian economy had shown the greatest increase in its history. To attribute the relative back-

wardness in various sectors solely to rapid population growth would be to ignore the existence of other decisive factors, which in many cases are the result of unjust economic relations between less advanced and more advanced countries, and of internal contrasts producing social inequalities that restrict development.

The Panamanian representative at the Second Latin American Meeting on Population reported that the country's population would continue to increase rapidly until the end of the century, regardless of the level of fertility chosen for projections. He emphasized, however, that the Government's policy was one of improving the quality of life for existing generations rather than of limiting growth, recalling that the country's delegation to the World Population Conference had stressed that a fundamental task was to attack the factors which generated poverty, and it would not be possible to resolve the country's most important problems by means of demographic antidotes.

In its reply to the Third United Nations Inquiry, transmitted in 1976, the Government reported that the current rate of population growth both contributed to and constrained the achievement of economic and social development. On the one hand, it adversely affected economic and social development by constraining desired income distribution, appropriate savings generation, the effectiveness of capital investment, and the provision of social services to youth (maternal and child care, schooling etc.), adults (housing, health services etc.) and the aged (retirement support, health services etc.). However, on the other hand, it contributed to development by providing sufficient population for economic exploitation of natural resources and by supplying manpower for economic expansion.

In its development plan for the period 1976-1980 the Government identified a number of socio-economic problems related to demographic structures and trends. For example, it stated that the problem of widespread poverty was related to the structure of Panamanian population, since 43.0 per cent of the population was under 15 years of age and only 29.0 per cent was economically active. The plan reported that the 0-15 population represented 52.0 per cent of the total population in rural areas, while in certain rural provinces the proportion was as high as 58.0 per cent. It further noted the exigencies arising from the rapid growth of the labour force and reported that it would be necessary to create some 97,800 jobs in the metropolitan centre and 33,300 in the remainder of the country during the period 1975-1980.

However, in discussing the implementation of growth-related policies, the Government continued to emphasize that national problems related to demographic structures and trends were not insoluble. It considered that, in general, the current rate of population growth was satisfactory. The development plan for 1976-1980 stressed that during the period 1958-1972 Panama had sustained the highest economic growth rate on the Latin American continent -- an average annual rate of 8 per cent; the downturn in recent years was related to structural problems, aggravated by the effects of world inflation and recession. The identification of new and more dynamic sources of growth would promote the modernization of the economic system and provide a new impulse for growth.

Policy with regard to size and growth

The development strategy for 1970-1980 outlined two broad development objectives: the diversification of exports; and the correction of regional economic and social disequilibria. By developing resources and productive activities in the interior and increasing the degree of economic interdependence between the interior and the metropolitan centre, it was hoped that Panama would be able to broaden its export base and move beyond its state of import substitution. Furthermore, by developing those sectors of the economy dispersed throughout the nation (such as agriculture, stockraising and forestry) and by reducing dependence on those sectors concentrated in the metropolitan centre (such as the provision of services to the Canal Zone, tourism, banking and other financial services, transport and manufacturing) it was hoped that employment opportunities in the interior would be generated and the incentive to migrate to the metropolitan centre would be reduced.

In its development plan for the period 1976-1980 the Government reported that its major objective was to bring about integrated development at low social cost. The plan cautioned that the concept of development involved more than mere economic growth, a factor which -- although necessary -- was not sufficient to bring about desired national goals.

Global policies outlined by the Government in its recent plan included a policy of distribution and participation, which sought to attack the causes of poverty, incorporate marginal groups into society and bring about more balanced regional development. This was to be achieved through investments in human capital (in education, health, nutrition), employment creation (by means of investments, technology and training), improvements in infrastructure and in the organization of the means of production, and the creation and distribution of new sources of wealth (by means of agrarian reform, the establishment of new state enterprises and public housing, as well as transfers and various fiscal measures, including a programme of special transfers to those in extreme poverty).

The plan also outlined a policy of economic growth, based on the maximum utilization of the country's geographical position and of its human and natural resources, and a policy of regional development, involving more effective exploitation of natural resources and the incorporation of the national territory into a single unit. A further component of its growth-related strategy was the Government's policy of more autonomous and independent development, which sought greater autonomy through effective national control of and exploitation of the country's geographical position. These objectives were key concepts in over-all planning and involved the following major development efforts: the creation of new infrastructure such as pipelines, railroads, highways, container and fishing ports, a new international airport, a new canal treaty, ^{12/} the expansion of the Free Commercial Zone, the development of a Free Industrial Zone and the expansion of tourist infrastructure; the exploitation of natural resources, such as hydroelectric power and mining, which was in a stage of incipient development following the discovery of large copper deposits at Cerro Colorado in Chiriquí Province; and the development of the agricultural sector,

^{12/} The plan emphasized, however, that a new treaty on the operation of the Canal Zone had not been taken into consideration in preparing the plan's projections.

with an emphasis on the diversification of export crops and exploitation of fishing and forest resources.

The plan reported that an integrated approach to development of the sort it proposed would provide the needed stimulus to growth and would succeed in unifying the national territory, incorporating an estimated 20,000 square kilometres within the plan period.

As a result of the policies outlined above, the Government predicted that the country's economic and social structures would be fundamentally transformed during the 1970s and 1980s. Although the rate of economic growth would be slow during the initial phase of economic recuperation, with an average annual rate of 3 per cent, the new orientation of the economy would permit the GDP to grow at an average annual rate of 6.7 per cent per annum, increasing to 8.0 per cent by 1980.

With regard to future employment prospects, the plan reported that the country's new economic structures would generate some 114,000 new jobs by 1980 (an average of 22,800 per annum), reducing the country's unemployment from 6.3 per cent in 1975 to 5.5 per cent by 1980.

Morbidity and mortality

Information available to the Government

The development strategy for 1970-1980 reported that the crude death rate had declined from 8.4 per thousand in 1960 to 6.6 per thousand in 1968, principally due to the decline in infant mortality from 56.9 per thousand in 1960 to 40.9 per thousand in 1967. With regard to associated morbidity, the strategy reported that infectious and parasitic diseases still predominated as causes of death, especially in the 0-5 age group, and that 60 per cent of the Panamanian population was in a chronic state of malnutrition, suffering from protein, vitamin A, iron and riboflavin deficiencies.

In 1971 the United Nations Development Programme (UNDP) stated that health standards had improved considerably, the mortality rate having fallen from 8.4 per thousand in 1960 to 7.4 per thousand in 1970. The drop in mortality was principally due to a decline in infant mortality and the expansion of medical and health services.

In its recent development plan for the period 1976-1980 the Government reported that the crude death rate had declined from 7.1 to 5.3 per thousand population during the period 1970-1974, while the infant mortality rate had been reduced from 40.5 to 31.0 per thousand live births and the maternal mortality rate from 1.4 to 0.8 per thousand live births. Life expectancy at birth rose from 58.5 for males and 61.2 for females for the decennium 1950-1960 to 61.4 and 64.4 in the period 1960-1965 and to 64.9 and 68.1 in the period 1970-1975. ^{13/}

^{13/} Proyecciones de la Población Total de la República de Panamá por Sexo y Grupos de Edad: Años 1960 a 2000 (Panamá, Contraloría General de la República, Dirección de Estadística y Censo, 1974), p. 35.

The Government's operating plan for 1974 reported that 50 per cent of the country's rural population had access to potable water, compared to 75 per cent in urban areas, and that 68 per cent of the rural population had sanitary facilities, compared to 94 per cent of the urban population. Furthermore, whereas 63 per cent of the urban population had an adequate caloric intake, the figure was only 59 per cent in rural areas. The incidence of protein/calorie malnutrition and of intestinal parasitosis was particularly high among the pre-school population in rural areas.

Government perception of levels of morbidity and mortality

The Government's reply to the Second United Nations Inquiry noted that in the health field, vaccination campaigns, which had considerably reduced the incidence of diseases preventable by that means; a variety of environmental sanitation activities, including in particular increased supplies of drinking water; improved dietary practices; the provision of more medical care for the population, especially in rural areas; and other economic and social factors had combined to produce marked declines in general, infant, perinatal and maternal mortality and a change in the pattern of cause of mortality, which is now comparable to that of an economically advanced country. The main causes of death in 1972 had been ischemic diseases of the heart, malignant tumours, accidents, suicides and homicides and pulmonary diseases. The Government noted that some problems remained, especially those associated with malnutrition and poor housing conditions; they were being given increasing attention by the Government through an integrated approach and interagency arrangements.

In its reply to the Third United Nations Inquiry, the Government noted the persistence of differential mortality. Indigenous groups, people in inaccessible rural areas and the 0-5 age group -- in particular, the 0-1 age group -- had levels and trends of mortality which were unacceptable. The present level of life expectancy at birth was reported to be acceptable, however, and the Government asserted that it would be feasible to achieve a level of 65-69 years for males and of 70-73 years for females by 1985. In its development plan for the years 1976-1980 the Government reported that the level of life expectancy would be more than 70 years in the coming decade, reflecting a situation of greater general well-being.

Policy with regard to morbidity and mortality

The Government drew up a plan of attack in 1968 to eradicate malaria from the country within three years, through the intensive application of mutually supportive measures. A strategy review group which evaluated these measures in 1970 recommended that they should be continued in the same form.

In 1974 in an attempt to eliminate differential mortality, the Government reported that the health sector would increasingly direct its efforts to providing health care, environmental sanitation, immunization, nutrition and other services to marginal groups in rural areas. Specific plans for 1974 involved the inclusion of 85 new population centres in the community health programme, as well as 158 community vegetable gardens, 62 aqueducts and 300 wells. The Government proposed to meet the needs of remote population groups by expanding mobile health teams.

In its development plan for the period 1976-1980 the Government identified a number of specific targets with respect to morbidity and mortality. One goal was to reduce infant mortality from 31.5 to 18.8 per thousand live births and maternal mortality from 0.8 to 0.5 per thousand live births. Additional targets related to cause-specific mortality and malnutrition, particularly among the 0-5 age group. A further goal was to increase the proportion of the urban population with access to safe drinking water from 92 to 96 per cent and the proportion having access to sewage disposal facilities from 90 to 95 per cent. Whereas 54 per cent of the rural population had access to safe drinking water and 76 per cent to sanitary facilities, the plan targeted a coverage of 66 and 86 per cent, respectively, in rural areas.

The Government's current health programme will attempt to rationalize the use of resources in the health sector, placing major emphasis on reducing the unequal provision of services in urban and rural areas and accelerating the incorporation of the marginal population, particularly in rural zones, into the mainstream of society. The plan for 1976-1980 reported that in accordance with the Government's policy of equal health for all, resources would be allocated for the maximum benefit of the majority. A policy of community medicine, to be implemented through local health committees, and a programme of integral health, involving community participation in such activities as the establishment of communal gardens, are other aspects of the plan.

Government investment of 80.1 million balboas in the health sector will concentrate on the provision of safe drinking water and the construction of various sanitation projects and hospitals. Major projects involve the improvement of the water supply of Panama City, a new water plan for the city of Colón, the extension of 100 rural aqueducts and the improvement of 45 existing aqueducts.

Fertility

Information available to the Government

According to data published by the Statistics and Census Office, the average annual crude birth rates were 41.2 per thousand for the period 1960-1965 and 36.2 per thousand for the period 1970-1975. The projections published by the Census Office in 1974 indicated average annual crude birth rates of 34.6 per thousand for the period 1980-1985 and of 35.6 per thousand for the period 1990-1995. Gross reproduction rates were estimated to have averaged 2.5 for the period 1970-1975. Projections indicated levels of 2.2 for the period 1980-1985 and 1.8 in 1990-1995. Total fertility rates were estimated to have averaged 5.1 per woman for the period 1970-1975, while general fertility rates were estimated to have averaged 165.5 births per thousand during the same period. The Office of Population Studies of the Ministry of Public Health called attention to the fact that the household survey, a sample survey undertaken since 1963 by the Statistics and Census Bureau had in 1974 included questions seeking more precise information on fertility levels and on contraceptive practices. About 1970 there had been indications that both individual and aggregate levels of fertility had begun to decline. The survey noted the following prevailing socio-economic conditions, conducive to such a decline: the per capita product had surpassed

600 balboas; the proportion of the economically active population employed outside of agriculture was approximately 60 per cent; the proportion of illiterate adults had been reduced to 20 per cent of the population; and 2 out of 5 Panamanians resided in agglomerations of more than 20,000 inhabitants. It concluded that Panama was in fact undergoing a demographic transition. 14/

Government perception of levels and trends of fertility

The development strategy for 1970-1980 reported that owing to the continuance of high fertility levels, the proportion of the Panamanian population under the age of 20 was nearly 53 per cent. The resultant dependency burden was great, and thus a major portion of the national budget would have to be allocated for long-term expenditures on education and public health. The strategy cited the need for rapid and concrete action in the field of family planning, to alleviate the situation of large families with scarce resources, and advocated the diffusion of knowledge of contraceptive practices, placing an emphasis on voluntary use. However, the development strategy stated that the most pressing need was to provide services for existing cohorts rather than to modify fertility levels. A policy of reducing the rate of population growth would have only a limited impact during the next decade; the crucial problem was meeting the educational, health and, later, employment and housing needs of those already born.

The Government's reply to the Second United Nations Inquiry noted that high fertility in Panama until recent times was largely responsible for the fact that the economically active population constituted only about 34 per cent of the total population. Social services were strained by the demands of a child population constituting more than 40 per cent of the total. The Government reported, however, that significant improvements in the levels of education along with notable increases in enrolment in secondary and university schools, growing urban concentration, greater participation of women in the work force and other social processes were producing a favourable climate for greater access to the knowledge and use of contraceptive methods in various segments of the Panamanian population. Such access was no longer a privilege of the better educated and higher-income groups. Through activities carried out in the context of a nation-wide maternal and child health programme, the Government had made it possible for women to exercise the right to space and control the number of pregnancies they wanted. These circumstances suggested that the reduction of fertility would accelerate in the near future. Projections of the population in the year 2000 were based on the assumption that by that time Panama would have a level of fertility characterized by a gross reproduction rate of about 1.8, but the level might in fact be lower, with a corresponding reduction in the estimated population.

In its reply to the Third United Nations Inquiry the Government reported that even though the level of fertility made some positive contributions to family well-being, in general it was considered too high. A number of its negative consequences were identified: miscarriage, still birth and induced

14/ Algunos Aspectos Sobre la Fecundidad en la República de Panamá (Panamá, Ministerio de Salud, 1974), pp. 2-3.

abortion were too common; birth intervals were too short; and the incidence of orphaned and unwanted children was too high. Furthermore, general maternal health and child and family well-being were considered to be inadequate.

Policy with regard to fertility

In 1969 when the Ministry of Public Health established an official family planning programme as an integral part of its maternal and child health programme, APLAFA gradually transferred the operation of a number of its clinics to that Ministry. APLAFA continued to engage in research and to evaluate the use of contraceptives, as did the Faculty of Obstetrics of the University of Panama, which collaborated with CELADE in 1968 on a study of the frequency of induced abortion among women in the metropolitan centre.

In 1973 APLAFA and the Ministry of Public Health signed an agreement which defined the role of each with regard to family planning. The Maternal-Child Welfare Office (Oficina Materno-Infantil) within the Ministry had responsibility for delivering family planning services through its network of public health clinics. In 1974, 72 of the Ministry's 180 health institutions offered family planning services. The Ministry targeted a coverage of 12.5 per cent of fertile women by the end of 1973 and of 15 per cent by the end of 1974. 15/

In the private sector, APLAFA continued to play a complementary role in the fields of education and information, research and evaluation and training of personnel. During 1974 APLAFA's programme was oriented largely towards motivation and entailed the organization of a programme involving the National Guard, the establishment of a volunteer corps and the promotion of community-based distribution of contraceptives.

In its reply to the Third United Nations Inquiry, the Government reported that it had formulated a number of policies in relation to the influence of fertility on family well-being: maternal-child health programmes which included family planning; expansion of the educational system; and integrated rural development. The Government noted, however, that it did not have a formulated policy to modify the effect of fertility on population growth, although it acknowledged that the programmes for the promotion of rural development, family planning and universal education that were then being implemented might significantly modify the impact of fertility upon population growth.

Immigration

The Statistics and Census Bureau reported in 1974 that 13,481 male and 9,844 female immigrants had entered the country during the period 1960-1970, a

15/ A Survey of Institutional Development Activities and Needs in Latin America, Country Reports (New York, Population Council, 1975), p. 317.

movement of small significance for the growth and structure of the Panamanian population. 16/

The development strategy for 1970-1980 emphasized that the fact that Panama was not a densely populated country suggested the desirability of a policy of open immigration for skilled workers who would contribute to national development.

In its reply to the Third United Nations Inquiry in 1976 the Government reported that immigration was not demographically significant.

Emigration

A 1973 study conducted by CELADE, which compared demographic data estimated before and after the results of the 1970 census became known, came to an unexpected conclusion, namely, that international emigration from Panama was significant and should not be ignored. According to the study's projected values, the population of Panama would lose 8,250 individuals in each quinquennium from 1970 to 2000. 17/

The Statistics and Census Bureau reported in 1974 that 19,592 males and 19,570 females had left the country during the years 1960-1970, principally for the United States of America. 18/

In its reply to the Third United Nations Inquiry in 1976 the Government reported that emigration was not demographically significant.

Spatial distribution

Information available to the Government

The census of 1970 provided substantial information with which to document the continuance of two contrasting phenomena: a high degree of demographic dispersion in rural areas and a high degree of concentration in the terminal cities of Panama City and Colón. The census reported that 80 per cent of the country's population centres, containing 15 per cent of the total population,

16/ Estimación de Indicadores Demográficos de la República de Panamá para el Período 1950-1970 y Proyecciones de Población por Sexo y Grupos de Edades, Años 1960 al 2000 (Panamá, Contraloría General de la República, Dirección General de Estadística y Censo, 1974), pp. 40, 45.

17/ Boletín demográfico, No. 11 (1973), pp. 4-5.

18/ Estimación de Indicadores Demográficos ..., p. 40.

had fewer than 100 inhabitants. Conversely, the proportion of the total population defined as urban rose from 41.5 per cent in the census of 1960 to 47.6 per cent in the census of 1970. 19/

The census of 1970 reported density indices ranging from 51.5 persons per square kilometre for Panama Province to 1.4 persons per square kilometre for Darién Province.

The official statement prepared for a preliminary session of HABITAT: United Nations Conference on Human Settlements in 1975 reported that the distribution of the population presented extreme characteristics of dispersion and concentration which constituted a problem in over-all development planning. The statement drew special attention to the fact that 80 per cent of the country's population nuclei -- that is to say, 7,427 population centres -- had fewer than 100 inhabitants and contained only 15 per cent of the national population. At the other extreme, there were only 5 cities of more than 25,000 inhabitants, which accounted for 37 per cent of the population; Panama City alone contained one quarter of the inhabitants of the Republic. 20/

In its development plan for the period 1976-1980 the Government reported that nearly 50 per cent of the national territory was uninhabited, with density indices ranging from 1.4 inhabitants per square kilometre in Darién to 101.1 in the metropolitan centre. If these trends continue, the plan predicted that the terminal cities Panama City and Colón would comprise 54.0 per cent of the total population by 1980.

Government perception of spatial distribution

The development strategy for 1970-1980 cautioned that Panama's historical pattern of spatial distribution had consequences far more grave than simple demographic disequilibrium. Existing spatial trends and patterns threatened to drain the remainder of the country of talented people and workers, and contributed to the stagnation of the rural populace, which was in constant need of social assistance, but contributed little to the country's development.

The Government's reply to the Second United Nations Inquiry reported that in accordance with observed trends and foreseeable economic changes, the urban population was expected to represent 60 per cent of the total by 1985 and would probably exceed 70 per cent by the end of the century.

19/ Vilma N. Médica, La Población de Panamá (Panamá, Contraloría General de la República, Dirección de Estadística y Censo, 1974), p. 103.

20/ Informe Nacional Preliminar (Panamá, Ministerio de Vivienda, 1975), pp. 6-7.

In a statement prepared for a preliminary session of HABITAT in 1975, the Government emphasized that Panama City was the only city in the world bisected by a territory over which it did not have sovereignty, a factor responsible for the spatial distortion of the metropolitan centre. The artificial limit imposed by the Canal Zone had constrained the normal expansion of the city, forcing it to expand in a linear fashion. The Government also noted the underutilization of land adjacent to Panama City where military bases were situated. The resulting high market value of land in the metropolitan centre had led to the gradual disappearance of recreational areas. The HABITAT statement further noted that owing to the continuing influx of migrants to the metropolitan centre, services had been unable to keep pace with urban growth. The housing crisis was acute; the deficit of 76,029 housing units had contributed to the proliferation of shanty towns, which as of 1970 numbered 110.

In its reply to the Third United Nations Inquiry, transmitted in 1976, the Government reported that the distribution of population was unacceptable from the standpoint of protecting the environment, utilizing natural resources and achieving full employment; for the general well-being of the population, major changes were needed. It further noted that the rate of population growth in the metropolitan region was too rapid; as a result, the achievement of development objectives was constrained. However, the rate of growth in lesser urban centres and in rural central places was considered to be too slow.

In its development plan for the period 1976-1980 the Government identified a number of problems in relation to trends and patterns of spatial distribution. First, the high level of concentration in the metropolitan centre accounted for 68.7 per cent of the gross domestic product and 46.7 per cent of the country's total population. Secondly, the considerable degree of dispersion of the rural population constrained the efficient provision of social services and the effective participation of the rural populace in the development process. (There were 9,313 rural central places in 1970, 5,897 of which had fewer than 50 inhabitants.) Thirdly, the lack of physical connexion between urban and rural areas was an additional factor constraining the incorporation of the rural population into the productive process. (For example, in 1971 the country had 13.6 square kilometres of road for every 100 square kilometres of surface area, excluding the sparsely populated provinces of Darién and Bocas del Toro.) Lastly, these indicators had shown a tendency to worsen, with an acceleration of the concentration of population and economic activity in the metropolitan region. Whereas the total population had increased by 32.8 per cent during the period 1960-1970, the Province of Panamá had increased by 54.8 per cent.

Policy with regard to spatial distribution

In an effort to stem migration to the metropolitan centre and improve the rural milieu, the development strategy for 1970-1980 emphasized the importance of agrarian reform and of community development programmes which would involve the rural populace in the development process. The operating plan for 1974 set forth a comprehensive policy of regional integration. Noting that Panama was

a dual society and that the integration of marginal groups was of high priority, the plan outlined the following development objectives: achievement of sustained growth in agricultural production; development of Panama's livestock potential; implementation of agrarian reform; and development of agro-industry. As an immediate objective, the plan outlined measures for channeling expenditures for services and infrastructure to the poorest districts in rural Panama. These districts had been identified by a preliminary study on the basis of agricultural potential and the following socio-economic characteristics: low population density; low productivity and subsistence agriculture; a high proportion of Amerindians and illiterates; high birth and death rates; and a lack of socio-economic infrastructure. 21/

Further measures outlined by the 1974 plan to promote the country's socio-economic integration and to curb migration to the metropolitan centre were the development of small urban centres in the interior, such as Aguadulce, Chitré, David, Las Tablas, Los Santos, Santiago and Yaviza, the decentralization of industry, and the creation of new development institutions -- provincial co-ordinating councils and community boards -- which would mobilize the marginal population for the development process.

In an official statement prepared for a preliminary session of HABITAT in 1975 the Government reported that its regional development policies were, in the medium term, essentially redistributive. The objective of Government policies was to overcome marginality and to increase productivity and, concurrently, to reorganize spatial patterns in a more rational manner, in order to reduce the cost of providing services and technical assistance. The third-order centres of Aguadulce, Chitré, David, Las Tablas, Los Santos, Santiago and Yaviza had been selected on the basis of their dynamic potential as regional markets and agro-industrial centres. The Government would provide incentives for investment in those areas. Further plans called for the renovation and expansion of the city of Colón.

The Government emphasized that the country's new political structure was designed to facilitate regional development. One example of its policy of decentralizing its activities was the transfer of the Ministry of Agriculture to the Province of Veraguas, and of the Ministry of Public Works and the Faculty of Agronomy to the Province of Chiriquí.

In its development plan for the period 1976-1980 the Government evolved a comprehensive set of policies for regional integration, involving an equitable distribution of the benefits and costs of development, and with the objective of lessening the dependence of the interior on the metropolitan region, decreasing rural-to-urban migration and incorporating the national territory into a single unit.

The plan reported that a number of guiding principles had determined the selection of appropriate regional policies: first, the metropolitan region was, and would continue to be, the most important region in terms of the over-all growth of the economy; secondly, it was necessary to establish a balance between

21/ Radiografía de Pobreza (Panamá, Ministerio de Planificación y Política Económica, 1973).

actions oriented towards developing zones at present unincorporated within the national economic space and actions which would fortify urban centres and areas with minimum infrastructure; thirdly, it was necessary to combine actions tending to fortify urban centres with those oriented to bringing about the integrated development of rural areas.

It also called attention to the subdivision of the country into four planning regions, noting that a specific policy had been formulated for each of them. The policy for the eastern region would involve the rational exploitation of the natural resources found there as well as directed colonization and the integration of the region into the national territory. The policy for the metropolitan region, one of controlled growth and spatial rationalization, would seek to maintain the economic growth of that region at a level which would generate the necessary surplus for the development of the interior, but would not constrain the short-term development of the central and western regions. The major thrust of development activities in the central and western regions would be rural development, the strengthening of growth and service centres and centres of population concentration.

The plan described a number of regional policies of national scope. The policy for the integral development of rural areas called for the selection of the poorest geographical areas, determined on the basis of agricultural potential and selected characteristics of the population, as priority areas for development; the policy of strengthening urban centres and the growth of services was designed to contribute to the strengthening of the urban system; the policy for the regulation and control of the development of the metropolitan region encouraged exploitation of the advantages of its geographical position for the development of international transport and commercial and financial activities; the policy for the development of special areas, such as the Cerro Colorado and a number of important river basins, involved protection of the ecosystem and better utilization of natural resources; and the policy of regionalization of government programmes by sector was designed to bring about sectoral-regional co-ordination and determine the objectives of economic and social development for each of the country's major planning regions. A number of supportive policies were also identified: policies of regional and local administration; of industrial location, designed to identify and locate those types of industrial activity best suited to the resources and market of each of the major regions; of strengthening the mechanisms for regional financing; and of decentralization and deconcentration of the public sector.

Two types of programmes have been formulated to implement these policies: national programmes for regional development; and sectoral policies by region. The three national programmes, which were congruent with objectives and policies defined at the national level, were the programme for the Integrated Development of Rural Areas; the Programme for the Development of Integrated Urban Systems (URBE), designed to implement the Government's policy of strengthening 10 urban centres in the interior, and the Programme for the Development of Special Areas.

The Government emphasized that in implementing the 1976-1980 plan, its programmes were viable only to the extent that they received political and institutional support. To guarantee such support regional institutional arrangements would be established in each of the defined regions. A regional development corporation would be established for the eastern region. Plans for the metro-

politan region involved preparatory studies and the eventual creation of an institutional arrangement to assist in the planning and administration of the development process. A strong system of political-institutional co-ordination would be created in the central and western regions. In addition, the Government contemplated the creation at the highest level of an interministerial commission for regional development.

CONCLUSION

In terms of its level of development and the evolution of governmental institutions responsible for over-all development planning, Panama falls within the most advanced group of developing countries. The Government had a determined policy of development well before the publication of formal plans and has had the advantage of a well-developed statistical system for the formulation of its development strategies. From the issuance of its first official statement on population matters, the reply to the First United Nations Inquiry, and the drafting of its first comprehensive development plan, both in 1963, the Government has explicitly recognized the complex range of interrelationships between development and demographic trends and structures and has clearly identified the problems arising from the disequilibrium between demographic and other societal processes. In statements issued during the 1960s the Government identified the primary and secondary causes, as well as the consequences, of high population growth rates, of high levels of individual and aggregate fertility and of a pattern of internal distribution marked by extreme demographic dispersion in the interior and by a growing concentration of population in the terminal cities, Panama City and Colon.

During the 1970s the demographic situation in Panama has been characterized by an improvement in levels of mortality and by the beginnings of the fertility-declining phase of demographic transition, with prospects for lower rates of population growth. The Government considers the present level and trend of population growth to be acceptable, given the country's small total population and the fact that nearly 50 per cent of the national territory remains uninhabited. On the other hand, the Government considers the spatial distribution of the country's population to be largely unacceptable and to require substantial modification. In spite of well-conceived plans put forth in successive development strategies which were designed to achieve a more rational distribution of population within the national territory, problems in relation to regional disequilibria -- extreme demographic dispersion in rural areas, high metropolitan primacy, continuing in-migration to the metropolitan centre etc. -- have persisted and, indeed, have worsened during the 1970s. The Government has repeatedly emphasized that such problems not only strain its capacity to provide employment and basic services but also present serious obstacles to national integration and to societal development as a whole. As in the case of a majority of countries, which rarely identify a single population problem, the Government has identified a set of interrelated problems resulting from the present pattern of spatial distribution. It has noted, for example, the persistence of high mortality among marginal groups in inaccessible rural areas and among the migrant population in urban areas as well as the high level of fertility -- with related health risks -- of these same marginal rural and urban groups.

Since the 1960s the Government has evolved a complex set of regional policies designed to resolve structural problems, to achieve fuller utilization of its natural resources and to exploit its geographical position to greater advantage -- policies on which it has placed even greater emphasis in the aftermath of the world-wide economic recession of the mid 1970s and the subsequent slow-down in the country's rapid rate of economic growth.

However, while continuing to emphasize the need for economic restructuring, the Government has increasingly focused on the need to modify demographic as well as economic and social factors and has gradually enlarged the scope of its population policy to encompass not only traditional sectoral actions (programmes related to fertility, mortality etc.) but also broader interventions encompassing the whole society. By such diverse means as developing small urban centres in the interior to serve as countermagnets to the metropolitan centre (Programme for the Development of Integrated Urban Systems/URBE) and providing integrated services to marginal groups in rural areas (Programme for the Integrated Development of Rural Areas) and by broad, comprehensive policies designed to attack the underlying causes of poverty and bring about more balanced regional development, the Government hopes to promote the country's socio-economic integration and to incorporate marginal groups into the mainstream of society, thus achieving a more rational utilization of its human as well as its natural resources.

Panama: Selected demographic indicators, 1950-2000

Medium variant	1950	1955	1960	1965	1970	1975	1980	1985	1990	1995	2000
Population, total (in 1000)....	800	927	1082	1261	1458	1678	1930	2217	2533	2871	3230
-- , males { -- }....	414	476	553	643	744	855	984	1130	1291	1463	1646
-- , females { -- }....	386	451	529	618	715	822	946	1087	1242	1408	1584
Pop. ages 0-4 to total (0/0).	16.8	17.1	17.5	17.7	16.7	16.0	15.8	15.5	14.9	14.2	13.4
5-14 --	24.8	25.7	26.2	26.6	27.2	26.9	25.7	25.1	25.0	24.6	23.9
15-64 --	54.1	52.7	52.3	51.9	52.4	53.3	54.4	55.0	55.6	56.6	58.0
65+ --	4.4	4.5	4.0	3.8	3.7	3.8	4.1	4.3	4.5	4.5	4.7
under 20 --	51.5	52.3	53.5	54.2	54.1	53.4	52.4	51.1	50.1	49.0	47.6
Women ages 15-49 to females(0/0)	46.4	45.6	44.7	43.9	44.1	45.1	46.5	47.1	47.7	48.5	49.5
Dependency ratios (per 1000) ..	849.9	896.4	911.9	925.7	909.8	875.6	838.5	817.7	799.1	765.6	723.9
Child-woman ratios (per 1000) ..	748.6	772.8	801.8	820.4	772.2	722.3	692.8	671.3	638.1	596.2	553.7
Sex ratios (per 100 females) ..	107.3	105.6	104.6	104.0	104.1	104.0	104.0	104.0	104.0	103.9	103.9
Median ages (years)	19.2	18.8	18.2	17.9	18.0	18.4	18.9	19.5	20.0	20.6	21.3
Proportion of urban (0/0)	35.5	38.1	40.5	43.9	48.1	51.4	54.7	58.0	61.3	64.4	67.5
Population density (per sq.km.).	11	12	14	17	19	22	26	29	33	38	43
Rates of growth (0/0).....	2.93	3.09	3.06	2.91	2.81	2.80	2.77	2.66	2.51	2.36	
Natural increase rates (0/00)...	29.2	30.9	32.0	30.3	29.1	28.9	28.5	27.3	25.7	24.1	
Crude birth rates (--)...	40.7	41.2	41.2	38.4	36.2	35.5	34.6	33.1	31.1	29.2	
Crude death rates (--)...	11.4	10.3	9.2	8.1	7.1	6.6	6.2	5.8	5.5	5.2	
Gross reproduction rates	--	--	--	--	2.47	2.34	2.22	2.09	1.97	1.84	
Net reproduction rates	--	--	--	--	2.22	2.14	2.05	1.95	1.85	1.75	
Total fertility rates (0/00)...	--	--	--	--	5059	4800	4550	4290	4035	3775	
General fertility rates (--)...	182.6	187.3	190.0	177.7	165.5	158.1	150.9	142.1	131.9	121.6	
Life expectancy, males (years)	57.6	59.5	61.5	63.4	65.0	66.3	67.6	68.7	69.8	70.9	
-- , females { -- }	60.1	62.3	64.5	66.5	68.2	69.5	70.7	71.9	72.9	73.9	
-- , total { -- }	58.8	60.9	62.9	64.9	66.5	67.9	69.1	70.3	71.4	72.4	

Table (continued)

High variant	1950	1955	1960	1965	1970	1975	1980	1985	1990	1995	2000
Population, total {in 1000}....	800	927	1082	1261	1458	1682	1949	2264	2626	3035	3500
-- , males {--}....	414	476	553	643	744	858	994	1154	1339	1547	1784
-- , females {--}....	386	451	529	618	715	824	955	1110	1288	1488	1716
Pop. ages 0-4 to total (0/0).	16.8	17.1	17.5	17.7	16.7	16.2	16.4	16.4	16.2	15.8	15.4
-- 5-14 --	24.8	25.7	26.2	26.6	27.2	26.8	25.7	25.5	25.7	25.8	25.4
-- 15-64 --	54.1	52.7	52.3	51.9	52.4	53.2	53.9	53.9	53.8	54.2	54.9
-- 65+ --	4.4	4.5	4.0	3.8	3.7	3.8	4.1	4.2	4.3	4.3	4.3
-- under 20 --	51.5	52.3	53.5	54.2	54.1	53.6	52.9	52.1	51.8	51.6	51.1
Women ages 15-49 to females(0/0)	46.4	45.6	44.7	43.9	44.1	45.0	46.0	46.2	46.2	46.5	47.0
Dependency ratios (per 1000) ..	849.9	896.4	911.9	925.7	909.8	880.5	856.6	856.0	859.7	845.5	823.1
Child-woman ratios (per 1000) ..	748.6	772.8	801.8	820.4	772.2	734.1	726.0	726.1	714.8	691.6	670.3
Sex ratios (per 100 females) ..	107.3	105.6	104.6	104.0	104.1	104.0	104.0	104.0	104.0	103.9	103.9
Median ages (years)	19.2	18.8	18.2	17.9	18.0	18.3	18.7	19.0	19.1	19.2	19.5
Proportion of urban (0/0)	35.5	38.1	40.5	43.9	48.1	51.8	55.6	59.6	63.6	67.6	71.5
Population density (per sq.km.).	11	12	14	17	19	22	26	30	35	40	46
Rates of growth (0/0).....	2.93	3.09	3.06	2.91	2.86	2.95	3.00	2.97	2.90	2.85	
Natural increase rates (0/00)...	29.2	30.9	32.0	30.3	29.6	30.3	30.7	30.3	29.5	28.9	
Crude birth rates {--}....	40.7	41.2	41.2	38.4	36.7	37.0	36.9	36.1	34.9	34.0	
Crude death rates {--}....	11.4	10.3	9.2	8.1	7.2	6.7	6.2	5.8	5.4	5.1	
Gross reproduction rates	--	--	--	--	2.51	2.45	2.40	2.35	2.29	2.24	
Net reproduction rates	--	--	--	--	2.26	2.24	2.22	2.19	2.16	2.13	
Total fertility rates (0/00)...	--	--	--	--	51.39	50.25	49.15	48.10	46.95	45.90	
General fertility rates {--}....	182.6	187.3	190.0	177.7	168.2	165.7	163.2	159.4	153.6	148.2	
Life expectancy, males (years)	57.6	59.5	61.5	63.4	65.0	66.3	67.6	68.7	69.8	70.9	
-- , females {--}....	60.1	62.3	64.5	66.5	68.2	69.5	70.7	71.9	72.9	73.9	
-- , total {--}....	58.8	60.9	62.9	64.9	66.5	67.9	69.1	70.3	71.4	72.4	

Table (continued)

Low variant	1950	1955	1960	1965	1970	1975	1980	1985	1990	1995	2000
Population, total (in 1000)....	800	927	1082	1261	1458	1672	1906	2156	2412	2662	2890
-- , males { -- }....	414	476	553	643	744	853	972	1099	1230	1356	1475
-- , females { -- }....	386	451	529	618	715	820	934	1057	1183	1305	1418
Pop. ages 0-4 to total (0/0).	16.8	17.1	17.5	17.7	16.7	15.7	15.0	14.2	13.2	11.9	10.5
-- 5-14 --	24.8	25.7	26.2	26.6	27.2	27.0	25.8	24.7	24.0	23.0	21.6
-- 15-64 --	54.1	52.7	52.3	51.9	52.4	53.5	55.1	56.6	58.1	60.2	62.8
-- 65+ --	4.4	4.5	4.0	3.8	3.7	3.9	4.2	4.5	4.7	4.9	5.2
-- under 20 --	51.5	52.3	53.5	54.2	54.1	53.3	51.8	49.7	47.6	45.2	42.3
Women ages 15-49 to females (0/0)	46.4	45.6	44.7	43.9	44.1	45.2	47.1	48.5	49.9	51.5	53.2
Dependency ratios (per 1000) ..	849.9	896.4	911.9	925.7	909.8	869.8	815.4	767.7	719.7	660.9	593.5
Child-woman ratios (per 1000) ..	748.6	772.8	801.8	820.4	772.2	708.1	649.2	599.1	539.1	472.3	401.0
Sex ratios (per 100 females) ..	107.3	105.6	104.6	104.0	104.1	104.0	104.0	104.0	104.0	103.9	103.9
Median ages (years)	19.2	18.8	18.2	17.9	18.0	18.5	19.2	20.1	21.3	22.6	24.1
Proportion of urban (0/0)	35.5	38.1	40.5	43.9	48.1	51.0	53.8	56.4	58.9	61.2	63.3
Population density (per sq.km.).	11	12	14	17	19	22	25	29	32	35	38
Rates of growth (0/0).....	2.93	3.09	3.06	2.91	2.74	2.61	2.47	2.25	1.97	1.65	
Natural increase rates (0/00)....	29.2	30.9	32.0	30.3	28.4	27.0	25.5	23.2	20.3	17.1	
Crude birth rates { -- }....	40.7	41.2	41.2	38.4	35.6	33.6	31.6	28.9	25.8	22.4	
Crude death rates { -- }....	11.4	10.3	9.2	8.1	7.1	6.6	6.1	5.8	5.5	5.4	
Gross reproduction rates	--	--	--	--	2.42	2.20	1.99	1.77	1.56	1.34	
Net reproduction rates	--	--	--	--	2.18	2.01	1.84	1.66	1.47	1.27	
Total fertility rates (0/00)....	--	--	--	--	4.965	4.515	4.080	3.635	3.195	2.7.5	
General fertility rates { -- }..	182.6	187.3	190.0	177.7	162.2	148.2	134.7	119.9	103.9	87.3	
Life expectancy, males (years)	57.6	59.5	61.5	63.4	65.0	66.3	67.6	68.7	69.8	70.9	
-- , females { -- }	60.1	62.3	64.5	66.5	68.2	69.5	70.7	71.9	72.9	73.9	
-- , total { -- }	58.8	60.9	62.9	64.9	66.5	67.9	69.1	70.3	71.4	72.4	

Source: World Population Prospects as Assessed in 1973 (United Nations publication, Sales No. E.76.XIII.4).



